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ZNR UUUUU ZZH  
R 271325Z DEC 05  
FM AMEMBASSY PRETORIA  
TO RUEHC/SECSTATE WASHDC 0649  
INFO RUCNSAD/SOUTHERN AFRICAN DEVELOPMENT COMMUNITY  
RUCPDC/DEPT OF COMMERCE WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUEAUSA/DEPT OF HHS WASHDC  
RUEHPH/CDC ATLANTA GA 0952

UNCLAS SECTION 01 OF 02 PRETORIA 004995

SIPDIS

STATE PASS TO AID WASH DC

SIPDIS

DEPT FOR AF/S; AF/EPS; AF/EPS/SDRIANO  
DEPT FOR S/OFFICE OF GLOBAL AIDS COORDINATOR  
STATE PLEASE PASS TO USAID FOR GLOBAL BUREAU KHILL  
USAID ALSO FOR GH/OHA/CCARRINO AND RROGERS, AFR/SD/DOTT  
ALSO FOR AA/EGAT SIMMONS, AA/DCHA WINTER  
HHS FOR THE OFFICE OF THE SECRETARY/WSTEIGER, NIH/HFRANCIS  
CDC FOR SBLOUNT AND DBIRX

E.O. 12958: N/A

TAGS: [ECON](#) [KHIV](#) [SOCI](#) [TBIO](#) [EAID](#) [SF](#)

SUBJECT: LINKS BETWEEN POVERTY AND HIV/AIDS

Summary

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11. Summary. In December 2005, an International Union for the Scientific Study of Population (IUSSP) conference in Cape Town presented demographic studies that highlighted the interactions between poverty and HIV/AIDS in Southern African nations of Malawi, Zambia, and South Africa. No direct evidence was shown that poverty causes HIV/AIDS but there were strong correlations and associations between the two. Because most of the new information was coming from surveying the same people over time (panel surveys), much discussion centered around the problems and interpretations of using this type of data for empirical investigations. Eight of the 12 studies used Demographic Health Surveys, household-based national surveys having little detailed information concerning income. These studies had to impute assets using either type of flooring, housing or other asset information having a presumed correlation with income, making the analysis of the interaction of poverty and HIV/AIDS subject to possible measurement and specification errors. The South African studies used local surveys (in Free State and KZN) trying to determine the impact of socio economic status on orphans, antiretroviral treatment, and HIV affected households. Most studies showed relationships between poverty and HIV/AIDS, but no clear cut causation. End Summary.

Poverty and HIV/AIDS

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12. Prominent African politicians and researchers have long posited causality between poverty and HIV/AIDS, suggesting that increased poverty causes high HIV/AIDS prevalence. In December, The International Union of Scientific Study of Population (IUSSP) sponsored a conference in Cape Town that presented 12 papers addressing the impacts of poverty and HIV/AIDS, focusing on income effects on topics ranging from orphans to receiving antiretroviral treatment. The conference organizers hoped to provide empirical evidence on the hypothesis that HIV/AIDS' main solution lies in eradicating poverty.

13. The demographic studies focused on Southern African countries and used a variety of household panel surveys that were not designed for the specific study of HIV/AIDS interactions. Several studies used Demographic Health Surveys,

(nationally representative household surveys collected every 5 years in most developing countries), or national and provincial surveys. Focus countries included Malawi, Zambia, South Africa, Kenya, Cambodia, Thailand and Tanzania. All studies used several waves of panel data, trying to discover long run impacts in order to highlight poverty's impact on various risk behaviors associated with higher HIV prevalence.

14. Four studies concentrated on South Africa, using provincial surveys, making generalized national observations difficult. The South African studies examined the socio-economic impacts of HIV/AIDS on household in the Free State; impacts of parental death on school enrollment in KZN; orphans and HIV risk behaviors among adolescents in KZN; and socioeconomic status as determinants in treatment outcomes in the Free State. One Free State study (primary researcher, Sebastian Linnemayr from Ecole Normale Supérieure, using data collected in a USAID-funded study at the University of the Free State) grouped HIV affected and non-affected by amount of liquid and illiquid assets and found the assets to be similar among groups, although since 40% of people had no income in both groups, one could argue that poverty impacted the results. The study of the impacts of parental death on school achievement in KZN (primary researcher, Anne Case from Princeton University) found that that there was no link between socio economic status (SES) if the mother died, and a negative association if the father died; however children without mothers are behind in school relative to other children. The study focusing on the orphanhood, poverty and HIV risk behaviors in KZN (prime researcher Kelly Hallman from the Population Council) found that orphans did begin sexual relations earlier than non orphans and differing income effects by gender, with girls in households with higher income having lower chances of early sexual debut while boys had higher chances of multiple partners. Frikkie Booysen's

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study (of the University of the Free State) found that only the well-off felt that they were getting the benefit of anti-retroviral treatment, having been on treatment and knowing their status longer.

15. The South African studies used different measures of poverty. Hallman's study used consumption and household asset-based measures, Case's study used expenditures, assets, and access to piped water and electricity as indicators of wealth. Booysen's and Linnemayr's studies used the same Free State panel data which collected income, asset and access to services information. Of the four studies, two found that income did not explain differences in HIV-impacted households or orphans and two found income to be an important determinant.

16. Studies that focused on other countries in Africa also found that income's impacts varied. A Malawian study focused on the impact of HIV/AIDS on Intra-household Time Allocation and concluded that HIV/AIDS had no impact on men's allocation of time and it caused women to diversify income sources. In a Zambian (focusing on prime age mortality, rather than death by HIV/AIDS) study, women's prime age mortality was not affected by income; prime age mortality is more likely to affect wealthy men.

17. All presented studies were preliminary and discussion focused on inherent problems using panel data. Panel data gives temporal explanation but no causality. Selectivity (caused by attrition in survey respondents) and measurement error biases are present. Omitted variables and unobserved fixed effects also presents empirical challenges. One agreement came from the conference: further research is needed on the links between poverty and HIV/AIDS.

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